# Labour Market Bulletin

## Newfoundland and Labrador

## June 2018

**This Labour Market Bulletin is a report providing an analysis of Labour Force Survey results for the province of Newfoundland and Labrador, including the regions of Avalon Peninsula, West Coast—Northern Peninsula—Labrador, Notre Dame—Central Bonavista Bay and South Coast—Burin Peninsula.**

## OVERVIEW

The unemployment rate increased in the second quarter of 2018 from the previous quarter. Employment declined slightly while the size of the labour force increased. A decline in full-time work outweighed part-time job gains. Compared to the same quarter a year ago, the unemployment rate was virtually unchanged as the number of people active in the labour market declined at a similar rate as employment.

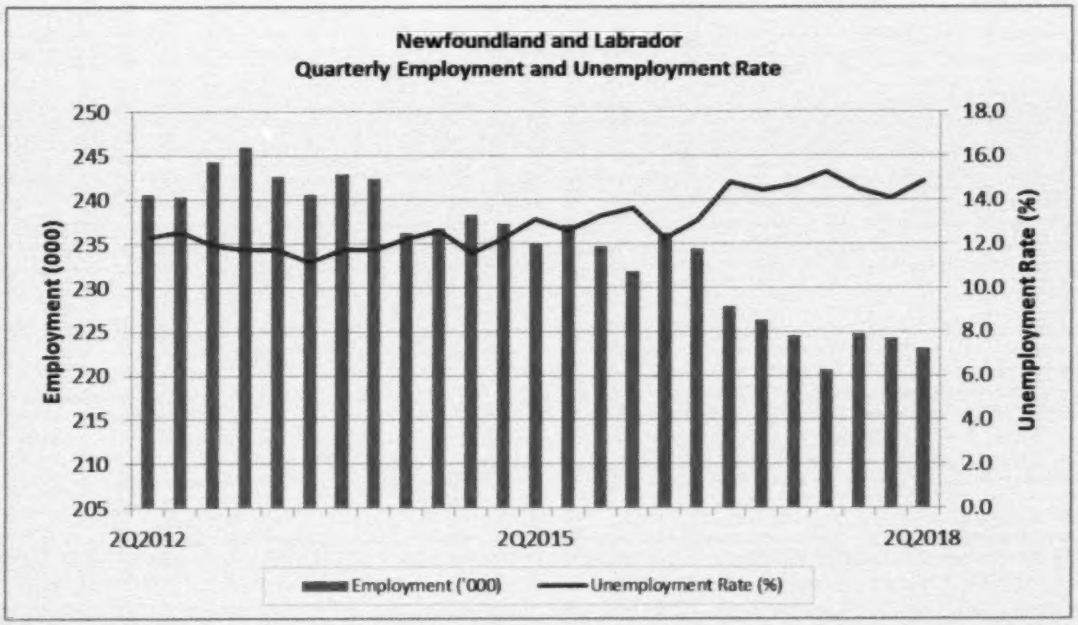
**Newfoundland and Labrador Quarterly Labour Force Statistics**

| Seasonally Adjusted | 2nd Quarter | 1st Quarter | 2nd Quarter | Quarterly Variation | | Yearly Variation | |
|---|---|---|---|---|---|---|---|
| Quarterly Data | 2018 | 2018 | 2017 | Number | % | Number | % |
| **Population 15 + ('000)** | 444.1 | 444.7 | 445.8 | -0.6 | -0.1 | -1.7 | -0.4 |
| **Labour Force ('000)** | 262.0 | 261.0 | 263.4 | 1.0 | 0.4 | -1.4 | -0.5 |
| **Employment ('000)** | 223.0 | 224.2 | 224.6 | -1.2 | -0.5 | -1.6 | -0.7 |
| Full-Time ('000) | 188.1 | 190.8 | 192.5 | -2.7 | -1.4 | -4.4 | -2.3 |
| Part-Time ('000) | 35.0 | 33.4 | 32.1 | 1.6 | 4.8 | 2.9 | 9.0 |
| **Unemployment ('000)** | 38.9 | 36.8 | 38.8 | 2.1 | 5.7 | 0.1 | 0.3 |
| **Unemployment Rate (%)** | 14.8 | 14.1 | 14.7 | 0.7 | - | 0.1 | - |
| **Participation Rate (%)** | 59.0 | 58.7 | 59.1 | 0.3 | - | -0.1 | - |
| **Employment Rate (%)** | 50.2 | 50.4 | 50.4 | -0.2 | - | -0.2 | - |

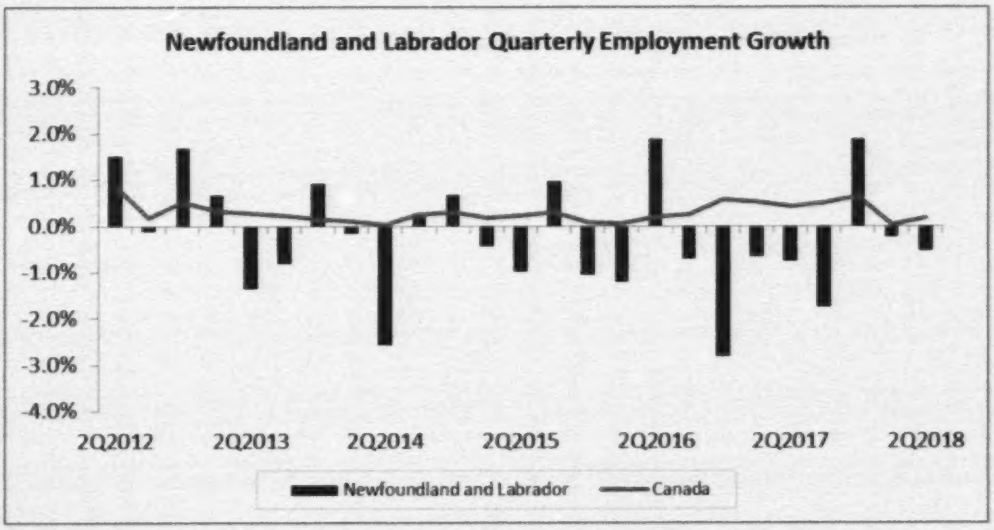
*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – Table 14-10-0287*

A sustained decline in employment since 2013 had brought the quarterly unemployment rate to a seven-year high of 15.3% in the third quarter of 2017. Since last fall, a small rebound in employment has lowered the unemployment rate slightly, but it remains elevated compared to its 2013 and 2014 levels of below 12%. Compared to the record high in 2013, employment has declined by nearly 18,000 jobs. Virtually the entire decline has been full-time in nature.




Since Q2, 2013 the pace of employment growth in the province has generally lagged behind the rest of the country. In fact, fifteen of the past twenty quarters experienced employment declines. Furthermore, Newfoundland and Labrador ranked last among all provinces in employment growth for six of the past eight quarters.




The youth (aged 15 to 24 years) unemployment rate (19.0%) increased significantly in the second quarter, up 2.9 percentage points compared to the previous quarter. While employment continued its downward trend, the size of the labour force had a small gain. Two years earlier, the quarterly unemployment rate for youth reached a record low of 13.0%. Since then, employment has declined faster than the number of youth in the labour force, raising the unemployment rate considerably.

Among males 25 years and older, employment increased for the third straight quarter. However, the unemployment rate increased from the previous quarter as even more people were active in the labour market.

The unemployment rate for females 25 years and over has been relatively stable over the past year and notably lower than the rate for males. The size of the labour force and overall employment have shown little change compared to a year ago. However, full-time employment reached its lowest level since 2016 due to recent declines.

**Newfoundland and Labrador Quar[illegible]mployment Rates, by Gender and Age**

| Seasonally Adjusted Data | 2nd Quarter 2018 (%) | 1st Quarter 2018 (%) | 2nd Quarter 2017 (%) | Quarterly Variation (% points) | Yearly Variation (% points) |
|---|---|---|---|---|---|
| **Total** | 14.8 | 14.1 | 14.7 | 0.8 | 0.1 |
| **25 years and over** | 14.2 | 13.8 | 14.5 | 0.5 | -0.2 |
| Men - 25 years and over | 17.7 | 17.0 | 18.2 | 0.7 | -0.5 |
| Women - 25 years and over | 10.6 | 10.5 | 10.5 | 0.1 | 0.1 |
| **15 to 24 years** | 19.0 | 16.2 | 16.3 | 2.9 | 2.8 |
| Men - 15 to 24 years | 19.9 | 17.8 | 20.6 | 2.1 | -0.7 |
| Women - 15 to 24 years | 18.2 | 14.0 | 11.3 | 4.1 | 6.9 |

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – Table 14-10-0287*

In the second quarter (Q2) of 2018, the total population aged 15+ in the Atlantic Provinces was around 2 million. The Indigenous population living off-reserve accounted for 3.5% of that, or 69,600 people. Employment among Indigenous people in the Atlantic Provinces was 40,600, representing an increase of 3,000 (+8.0%) from a year earlier (Q2 2017). The increase was primarily driven by full-time positions (+3,300 or +10.7%). This was partially offset by a decrease in part-time positions over the same time period (-400 or -5.9%).

The unemployment rate among the Indigenous population was 13.7% in Q2 2018, representing an increase of +1.7 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was 8.9% (-0.7pp). Between Q2 2017 and Q2 2018, the participation rate of Indigenous people increased to 67.6% (+4.6pp) while among non-Indigenous population, it was 61.7% (-0.3pp). The employment rate of Indigenous people increased year-over-year to 58.3% (+2.8pp); for the non-Indigenous population, it remained unchanged at 56.2% (+0.2pp).

**Atlantic - Labour Market Indicators for Indigenous People**

| 3-month moving averages Seasonally unadjusted data | Indigenous | | Yearly variation (Indigenous) | | Non-Indigenous | | Yearly variation (non-Indigenous) | |
|---|---|---|---|---|---|---|---|---|
| | Q2 2018 | Q2 2017 | number | % | Q2 2018 | Q2 2017 | number | % |
| **Population 15 + ('000)** | 69.6 | 67.9 | 1.7 | 2.5% | 1,924.5 | 1,917.5 | 7.0 | 0.4% |
| **Labour Force ('000)** | 47.1 | 42.8 | 4.3 | 10.0% | 1,187.7 | 1,188.2 | -0.5 | 0.0% |
| **Employment ('000)** | 40.6 | 37.6 | 3.0 | 8.0% | 1,081.7 | 1,074.1 | 7.6 | 0.7% |
| **Full-Time ('000)** | 34.2 | 30.9 | 3.3 | 10.7% | 910.6 | 901.8 | 8.8 | 1.0% |
| **Part-Time ('000)** | 6.4 | 6.8 | -0.4 | -5.9% | 171.1 | 172.3 | -1.2 | -0.7% |
| **Unemployment ('000)** | 6.5 | 5.1 | 1.4 | 27.5% | 106.0 | 114.1 | -8.1 | -7.1% |
| **Unemployment Rate (%)** | 13.7 | 12.0 | 1.7 | - | 8.9 | 9.6 | -0.7 | - |
| **Participation Rate (%)** | 67.6 | 63.0 | 4.6 | - | 61.7 | 62.0 | -0.3 | - |
| **Employment Rate (%)** | 58.3 | 55.5 | 2.8 | - | 56.2 | 56.0 | 0.2 | - |

*Notes: The Labour Force Survey excludes those living on-reserve.*
*Estimates are based on three-month moving averages.*
*Totals may not add due to rounding.*
*Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.*
*Source: Statistics Canada Labour Force Survey - ESDC custom table.*

## EMPLOYMENT BY INDUSTRY

Compared to the previous quarter, a loss of 3,400 jobs in the **Goods-producing sector** outweighed the gains in the **Services-producing sector**. **Construction** had its strongest quarterly employment loss since 2009, and after a brief period of growth earlier in the year, **Manufacturing** also declined considerably, returning to a near-record low for this industry. Employment in food manufacturing continues to be relatively subdued as well, given some of the negative pressures impacting the industry, including quota cuts for crab and shrimp.

The **Services-producing sector** gained 2,300 jobs compared to the previous quarter. While employment increased for most service industries, **Transportation and warehousing** had a notable loss, returning close to the employment levels of a year ago. **Wholesale and retail trade** employment declined for the fourth straight quarter. When compared to a year ago, this industry has lost 4,600 jobs. In contrast, there have been strong gains over this time in industries such as **Accommodation and food services, Educational services,** and **Finance, insurance, real estate and leasing**. As a result, overall employment in this sector was relatively unchanged.

**Newfoundland and Labrador Quarterly Employed Labour Force, by Industry**

| Seasonally Adjusted Data ('000) | 2nd Quarter 2018 | 1st Quarter 2018 | 2nd Quarter 2017 | Quarterly Variation | | Yearly Variation | |
|---|---|---|---|---|---|---|---|
| | | | | Number | % | Number | % |
| **Total employed, all industries** | 223.0 | 224.2 | 224.6 | -1.2 | -0.5 | -1.5 | -0.7 |
| **Goods-producing sector** | 45.2 | 48.6 | 46.1 | -3.4 | -7.0 | -0.9 | -1.9 |
| Agriculture | 1.7 | 2.0 | 1.8 | -0.3 | -16.7 | -0.1 | -5.7 |
| Forestry, fishing, mining, quarrying, oil and gas | 11.7 | 11.4 | 12.3 | 0.3 | 2.6 | -0.7 | -5.4 |
| Utilities | 3.3 | 3.2 | 2.6 | 0.1 | 2.1 | 0.6 | 24.1 |
| Construction | 20.1 | 22.1 | 20.8 | -2.0 | -9.1 | -0.7 | -3.4 |
| Manufacturing | 8.5 | 10.0 | 8.6 | -1.4 | -14.4 | -0.1 | -1.2 |
| **Services-producing sector** | 177.8 | 175.6 | 178.5 | 2.3 | 1.3 | -0.6 | -0.4 |
| Trade | 37.1 | 37.6 | 41.6 | -0.6 | -1.5 | -4.6 | -11.0 |
| Transportation and warehousing | 11.1 | 12.0 | 10.8 | -0.9 | -7.8 | 0.2 | 2.2 |
| Finance, insurance, real estate and leasing | 7.4 | 6.7 | 6.2 | 0.7 | 10.4 | 1.2 | 19.3 |
| Professional, scientific and technical services | 9.6 | 8.7 | 10.1 | 0.9 | 10.4 | -0.6 | -5.6 |
| Business, building and other support services | 6.2 | 6.7 | 6.9 | -0.5 | -7.0 | -0.7 | -10.1 |
| Educational services | 15.8 | 15.6 | 14.7 | 0.2 | 1.5 | 1.1 | 7.2 |
| Health care and social assistance | 39.4 | 38.8 | 40.6 | 0.6 | 1.5 | -1.2 | -3.0 |
| Information, culture and recreation | 7.1 | 6.2 | 6.3 | 0.9 | 14.0 | 0.8 | 12.8 |
| Accommodation and food services | 16.6 | 15.5 | 14.4 | 1.1 | 6.9 | 2.2 | 15.3 |
| Other services | 11.4 | 12.1 | 11.4 | -0.7 | -5.8 | 0.0 | 0.3 |
| Public administration | 16.1 | 15.7 | 15.3 | 0.4 | 2.8 | 0.8 | 5.0 |

*Note: Totals may not add due to rounding*
*Source: Statistics Canada Labour Force Survey – Table 14-10-0355*

## REGIONAL ANALYSIS

The unemployment rate on the **Avalon Peninsula** increased by 1.7 percentage points since the second quarter of 2017, as employment declined while the size of the labour force increased. While job losses have been common in this region for over a year, the size of the losses has been getting smaller. Job losses in the second quarter were concentrated in services-producing industries. **Trade** and **Educational services** reported the largest declines, accounting for more than 5,000 jobs lost since the same quarter a year ago. On the positive side, both **Accommodation and food services** and **Professional, scientific and technical services** saw employment gains after experiencing sustained losses. Employment in the **Goods-producing sector** increased as gains in

**Construction** and **Utilities** outweighed losses in **Manufacturing** and **Forestry, fishing, mining, quarrying, oil and gas**.

The **South Coast–Burin Peninsula and Notre Dame-Central-Bonavista Bay** region's unemployment rate declined in the second quarter compared to a year earlier. Employment increased by 1,700 jobs, making it another gain for the third quarter in a row after a lengthy period of decline. While **Educational services** and **Accommodation and food services** have both been growing in recent quarters, losses have been reported for an extended period in **Professional, scientific and technical services** and **Health care and social assistance**. **Construction** lost 1,300 jobs, the industry's first employment decline in over a year in this economic region.

In the **West Coast–Northern Peninsula–Labrador** region, the unemployment rate showed a small decline compared to a year ago, due to a decrease in the labour force size that was slightly larger than the decline in employment. Employment losses were mainly full-time in nature. The **Goods-producing sector** had losses throughout the sector, led by **Construction**. The **Services-producing sector** had a small increase, with mixed results throughout the sector. A gain in **Educational services** outweighed a loss in **Trade**.

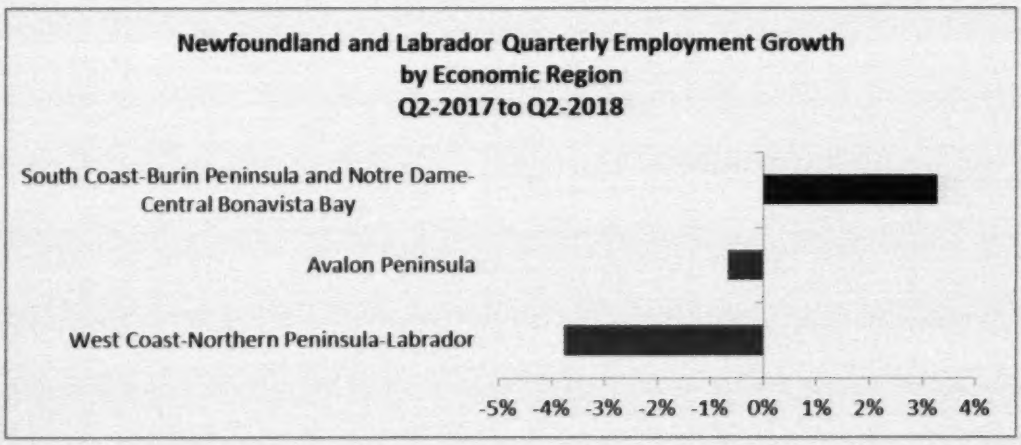
**Newfoundland and Labrador Quarterly Labour Force Statistics, by Economic Region**

| 3-Month Moving Averages Seasonally Unadjusted Data | Employment | | | Unemployment Rate | | |
|---|---|---|---|---|---|---|
| | 2nd Quarter 2018 ('000) | 2nd Quarter 2017 ('000) | Yearly Variation (%) | 2nd Quarter 2018 (%) | 2nd Quarter 2017 (%) | Yearly Variation (% points) |
| **Newfoundland and Labrador** | 227.1 | 227.8 | -0.3 | 14.4 | 14.4 | 0.0 |
| **Economic Regions** | | | | | | |
| Avalon Peninsula | 132.6 | 133.5 | -0.7 | 11.3 | 9.6 | 1.7 |
| South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay | 53.5 | 51.8 | 3.3 | 18.4 | 21.7 | -3.3 |
| West Coast-Northern Peninsula-Labrador | 41.0 | 42.6 | -3.8 | 18.3 | 18.7 | -0.4 |

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – Table 14-10-0293*

The **West Coast–Northern Peninsula–Labrador** had the lowest employment growth rate in the province for the first time in over a year. Meanwhile, the **South Coast–Burin Peninsula and Notre Dame-Central-Bonavista Bay** region had the strongest employment growth rate in the province for the third straight quarter after not leading the province for two years.


Newfoundland and Labrador Quarterly Employment Growth
by Economic Region
Q2-2017 to Q2-2018
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay
Avalon Peninsula
West Coast-Northern Peninsula-Labrador
-5% -4% -3% -2% -1% 0% 1% 2% 3% 4%

***Note:*** *In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

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http://www.esdc.gc.ca/cgi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi
***For information on the Labour Force Survey****, please visit the Statistics Canada Web site at:* www.statcan.gc.ca

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